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Can statues of killer-bees and storytelling festivals stop the country's smallest towns from withering away?

SIXTY years ago, the tiny town of Salado in central Texas was "virtually a ghost town", says Charlie Turnbo, the local historian. Its main feature, the co-ed college, had burned down in the 1920s. The mills had flooded about the same time; the huge antebellum houses lining Main Street were boarded up, their roofs falling in. The railway bypassed the town.

But a combination of luck and entrepreneurship saved the day. In the 1950s Interstate 35, which runs from Texas to Minnesota, was built a mile away. To entice all the people looking for a loo-break to stay a bit longer, locals bought the antebellum houses and turned them into restaurants and inns. Now the 21 bed-and-breakfasts in this town of 2,000 do a bustling wedding business, catering to soldiers stationed at nearby Fort Hood and to Austinites away for the weekend.

Salado's story is a ray of hope in a picture that is often bleak. Most small towns are still struggling, as a tour of boarded-up Main Streets and closed John Deere dealerships in the rural heartland will show. "Outmigration" has drained their populations over the past century. Agri-businesses have replaced small farms, and shopping malls an hour away (not to mention Wal-Mart and the internet) have undercut local shops. In many small towns only old people are for the most part left, as there is little to attract the young. Just 17% of America's population today lives outside metropolitan areas.

Some surviving small towns have simply become bedroom communities for
large cities, and have lost their character. But others deeper in the boondocks remain determined to beat off the doomsayers with creative ideas. In 1992 Hidalgo, a south Texas town, decided to capitalise on its site in the migration path of the dreaded African killer bees. The town boldly erected a 20-foot- (6 metre-) long statue of a bee, made from fibreglass and steel, and was promptly dubbed the "Killer Bee Capital of the World". Tourists flocked in.

Similarly, tiny Colquitt (population 1,900) in southern Georgia, one of the poorest parts of America, has been revived by a storytelling festival known as "Swamp Gravy". In the early 1990s someone had the bright idea of performing local folk-tales as musicals. The idea grew,

and now some 40,000 people come each year to the festivities, which are held in a converted cotton mill. Many new businesses have opened on the town square, and sales triple when the Swamp Gravy show is on, according to Jennifer Trawick, executive director of the local arts council.

Some organisations are trying to help small towns along. One of the most important is the National Trust Main Street Centre, which aims to revitalise central streets by preserving historic buildings. Volunteers staff its local branches; most states have them. Funding is local, but the national organisation provides training and know-how.

One of the biggest challenges, according to Doug Loescher, the centre's director, is that many towns have been trying for years to revive themselves, with little success. "There's usually a lot of scepticism that another approach can really make a difference," he says. Local officials also have to realise that downtowns have changed for ever. Clothing and hardware stores will never return to the town centre. Rather, says Mr Loescher, restaurants and bars, government offices and even private houses should be given a place near Main Street.

State aid for small entrepreneurs also helps. Montana, which has a notably populist governor, has been pushing especially hard. In its last legislative session, the state legislature made even the tiniest of businesses eligible for aid. But Chuck Hassebrook, executive director of the Centre for Rural Affairs in Nebraska, says it is expensive to provide small business development services in rural America, even if there is a good return on investment. Rather appealingly, he proposes that the federal government shave 5% off its enormous farm-subsidy programme--which goes mostly to mega-farms--and
give it to small businesses. "You could quadruple what the federal government spends on entrepreneurial rural development," he says.

Another channel is philanthropy. "Rural communities are not going to be rescued by large corporations setting up large factories," notes Mr Hassebrook, but they could be helped by people with money (local boys who have made good in Chicago or Omaha, perhaps). In particular, he says, the rich should be encouraged to give not just to churches and libraries, but also to economic development. One remarkable case is Martindale, Texas, another worn-down southern cotton town. In 2004 Carlton Carl, vice-president of the Association of Trial Lawyers of America, bought most of the central district (he won't say for how much). He is refurbishing the buildings, hoping to attract artists and "a nice restaurant".

For Main Streets that find no buyers but want to preserve their heritage, two promising themes for revival emerge. First, art. There is money in painting and plays. These draw tourists--and artists, for their part, seem quite happy about the low cost of living. The town of Nelsonville, in southern Ohio, has become an "artists' Mecca" in recent years, according to Will Lambe, a research associate at the University of North Carolina who is working on a book about small-town economic development (which covers Colquitt too). Another town, this one in south-east Iowa, has become a centre for transcendental meditation. Colquitt's Swamp Gravy Institute now finds itself acting as a consultancy for towns as far away as Brazil, encouraging them to develop their own plays and projects.

A second theme is alternative energy. Across the emptying Great Plains, towns are praying that sun, wind and plant matter will stop them from withering away. Culbertson, Montana--whose population dropped from 796
in 1990 to 714 in 2005--is replacing its old oil-seed factory with a biodiesel plant that employs several dozen workers. Such hopes are mirrored elsewhere. "Everybody I talk to is trying to get on this bandwagon of biodiesel and ethanol and wind," says Mr Lambe. For some lucky towns, the lights will stay on along Main Street.